
Scheme of Arrangement – Update

Nexus Energy Limited (ASX:NXS) (**Nexus**) refers to the proposed scheme of arrangement announced on 31 March 2014 under which Seven Group Holdings Limited (**SGH**) will acquire, through its wholly owned subsidiary, SGH Energy (No 2) Pty Limited (**SGH Energy**), all of the issued shares in Nexus (**Scheme**).

Despatch of supplementary letter to Nexus shareholders

The Federal Court of Australia has approved the despatch of the attached letter to Nexus shareholders regarding SGH's announcement to ASX on 8 May 2014.

Please ensure that you read the Scheme Booklet in full

By now you will have received a printed copy or an email containing a link to an electronic copy of the scheme booklet (including an independent expert's report prepared by Deloitte Corporate Finance Pty Ltd) (**Scheme Booklet**).

The Scheme Booklet is also available via the Scheme website at www.nexusenergyscheme.com.

It is important for Nexus shareholders to read the Scheme Booklet in full as it contains important information in relation to the Scheme and will assist shareholders in making an informed decision on how to deal with their Nexus shares, including as to whether or not to vote in favour of the Scheme. If shareholders are in any doubt as to how to deal with the Scheme Booklet, they should consult their financial, legal or other professional adviser.

Timetable of upcoming events in relation to the Scheme

Deadline for receipt of direct votes and proxy appointments Last time and date to submit a direct vote or appoint a proxy to vote at the Scheme Meeting	11.00 am (AEST) on 10 June 2014
Time and date for determining eligibility to vote at Scheme Meeting	7.00 pm (AEST) on 10 June 2014
Scheme Meeting to be held in Promenade Rooms 2 & 3 at the Crown Promenade Hotel at Level 1, 8 Whiteman Street, Southbank Victoria	11.00 am (AEST) on 12 June 2014
<i>If the resolution considered at the Scheme Meeting is approved:</i>	
Court hearing for approval of the Scheme	16 June 2014
Effective Date	17 June 2014
Scheme Record Date Time and date for determining entitlements to Scheme consideration under the Scheme	7.00 pm (AEST) on 23 June 2014
Implementation Date <ul style="list-style-type: none">Despatch of cheques for Scheme consideration to Nexus shareholdersTransfer of Nexus shares to SGH Energy	30 June 2014
Termination of official quotation of Nexus shares on ASX	7 July 2014

This timetable is indicative only. The actual timetable will depend upon the time at which the conditions precedent to the Scheme are satisfied or waived. Nexus has the right to vary the timetable set out above subject to the approval of such variation by the Court and ASX where required.

Shareholder Information Line and Scheme website

If you have any queries with respect to the Scheme Booklet, voting or the Scheme in general, please call the Shareholder Information Line on: 1300 856 028 within Australia or +61 2 8022 7909 outside Australia, or visit the Scheme website at www.nexusenergyscheme.com.

Lucio Della Martina

Managing Director & Chief Executive Officer

For further information please contact:

Susan Robutti

Chief Financial Officer & Company Secretary

29 May 2014



[Shareholder addressee details]

By email where consent provided

Dear Shareholder

Proposed Scheme of Arrangement – Supplementary disclosure as to Seven Group Holdings Limited offer

We refer to the proposed scheme of arrangement ("Scheme") announced on 31 March 2014 pursuant to which, and subject to shareholder approval and other conditions, Seven Group Holdings Limited ("SGH") will acquire 100 per cent of the shares in Nexus Energy Limited ("Nexus").

By now you may have received or viewed online the scheme booklet containing information (including an independent expert's report prepared by Deloitte Corporate Finance Pty Ltd ("Independent Expert")) ("Scheme Booklet") that will assist you in making an informed decision whether or not to vote in favour of the Scheme at the general meeting of Nexus to be held on 12 June 2014.

The purpose of this letter is to provide supplementary disclosure to the Nexus shareholders.

1. SGH will not increase its offer of \$0.02 per Nexus share in the absence of an alternative offer

On 8 May 2014, subsequent to the release of the Scheme Booklet, SGH announced that it would not increase its offer to acquire all of the shares in Nexus under the Scheme from \$0.02 per share in the absence of an alternative offer in respect of Nexus ("Announcement"). The effect of the Announcement and applicable law is that SGH is bound by its statement not to increase its offer under the Scheme in the absence of an alternative offer from a third party.

2. Directors' recommendation

The directors of Nexus continue to recommend that Nexus shareholders vote in favour of the Scheme in the absence of a superior proposal and encourage all shareholders to read the Scheme Booklet carefully.

Yours sincerely

Lucio Della Martina

Managing Director & Chief Executive Officer
Nexus Energy Limited